Dear Mr Seidenstein

Re: IAASB Exposure Draft, Proposed Amendments to the IAASB’s International Standards: Conforming and Consequential Amendments to the IAASB’s Other Standards as a Result of the New and Revised Quality Management Standards

We appreciate the opportunity to comment on the above Exposure Draft issued by the IAASB. We have consulted with, and this letter represents the views of, the KPMG network.

We are supportive of the IAASB’s objective of amending the IAASB’s Other Standards and Framework to address inconsistencies with the new and revised Quality Management standards and to enable these to operate in concert. We consider that it is optimal to make such changes concurrently across all affected IAASB standards, in addition to ISAs, rather than on a piecemeal basis as the Other Standards are revised individually, over time, in order to avoid unnecessary inconsistencies, which may otherwise persist over an indeterminate period.

In considering the proposed amendments, we recognise the statement made by the Board in the Explanatory Memorandum to the Exposure Draft that the amendments are limited in scope, as their development does not involve re-consideration of the objectives, requirements and application material of the IAASB’s Other Standards, in their own right. We also support the proposed amendments which, although acknowledged by the Board not to be strictly necessary to remove inconsistencies with ISQM 1, are included to help emphasise certain responsibilities of the engagement partner and/or engagement team, which are foundational principles of ISQM 1.

Accordingly, we consider that the proposed limited amendments are sufficient to resolve actual or perceived inconsistencies between the IAASB’s Other Standards and Framework, and the new and revised Quality Management standards.
In addition, since the changes proposed are limited in nature and are aligned with the effective dates of the new and revised Quality Management standards, including the conforming amendments to the ISAs as a result of those standards, we do not have concerns with the proposed effective date.

Please contact Sheri Anderson on +44 (0) 20 7694 8871 if you wish to discuss any of the issues raised in this letter.

Yours sincerely

Larry Bradley
Global Head of Audit
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